

DRAFT MEETING MINUTES CITY OF MILPITAS

Meeting Minutes: Regular Meeting of the Redevelopment Agency
(Including Joint Meeting with the City Council)

Date: Tuesday, November 21, 2006

Time: 7:00 PM

Location: City Hall Council Chambers, 455 E. Calaveras Blvd.

- RA1. CALL TO ORDER** Mayor/Agency Chairman Esteves called to order the regular meeting of the Milpitas Redevelopment Agency, meeting jointly with the City Council, at 7:50 p.m.
- RA2. ROLL CALL** **PRESENT:** Mayor/Chair Esteves, Vice Mayor/Vice Chair Gomez and Agency/Councilmembers Giordano, Livengood and Polanski
- ABSENT:** None
- RA3. MEETING MINUTES** Motion: to approve the Joint Redevelopment Agency/City Council minutes of November 7, 2006 as submitted.
- Motion/Second: Agency/Councilmember Livengood/Agency/Councilmember Polanski
- Motion carried by a vote of: AYES: 5
NOES: 0
- RA4. Approval of Agenda and Consent Calendar** Agency/Councilmember Giordano requested item RA7 be heard first.
- Motion: to approve the agenda and RDA consent calendar as amended.
- Motion/Second: Agency/Councilmember Giordano/Vice Chair/Vice Mayor Gomez
- Motion carried by a vote of: AYES: 5
NOES: 0
- PUBLIC HEARING**
- RA5. Proposed Merger Amendments for Redevelopment Project Area No. 1 and the Great Mall** Chair/Mayor Esteves announced the purpose of this meeting is to conduct a joint public hearing on the proposed Redevelopment Plan Amendments.
- Diana Whitecar, Economic Development Manager, presented the staff report. Her presentation included the history, amendments' language, purpose of the amendments, history, goals, the California Outdoor Advertising Act, and public outreach and noticing, noting that public outreach meetings were held on October 18 and November 1. She reported the proposed amendment projects are to renovate two existing Great Mall freeway signs, install up to three new freeway signs, include electronic reader board components in at least two of the total five signs, and have up to 25 lower profile way finding signs along surface streets in the redevelopment areas. She stated the environmental factors potentially affected are the aesthetics, noise, transportation and traffic, and mandatory findings of significance.
- Ms. Whitecar entered into the record the following documents: 1) Affidavit of Publication that was published once a week for five successive weeks in the Milpitas Post, 2) Certificate of Mailing notice of this Public Hearing to each assessee of land in the Project Areas, 3) Certificate of Mailing to the State of California Housing and Community Development notifying the Department of the Agency's intention to adopt

Motion: adopt Resolution No. 7635 of the City Council Adopting Mitigation Findings, Findings Regarding Alternatives, a Statement of Overriding Considerations, and a Mitigation, Monitoring and Reporting Program for the Proposed Merger of the Milpitas Redevelopment Plan for Redevelopment Project Area No. 1 and Great Mall Project Area.

Motion/Second: Agency/Councilmember Polanski/Vice Chair/Vice Mayor Gomez

Motion carried by a vote of: AYES: 5
NOES: 0

Motion: to waive the first reading beyond the title and introduce Ordinance No. 192.18, which City Attorney Mattas read into the record, "An Ordinance of the City Council of the City of Milpitas, California, amending Ordinance No. 192, as previously amended, and approving and adopting the Eleventh Amendment to the Redevelopment Plan for the Milpitas Redevelopment Project No. 1."

Motion/Second: Vice Chair/Vice Mayor Gomez/Agency/Councilmember Livengood

Motion carried by a vote of: AYES: 5
NOES: 0

Motion: to waive the first reading beyond the title and introduce Ordinance No. 192.19, which City Attorney Mattas read into the record, "An Ordinance of the City Council of the City of Milpitas, California, amending Ordinance 192.8, as previously amended, and approving and adopting the Fourth Amendment to the Redevelopment Plan for the Great Mall Redevelopment Project Area."

Motion/Second: Vice Chair/Vice Mayor Gomez/ Agency/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

RA6. Progress Report on Library and East Parking Garage

Mark Rogge, Redevelopment Manager, presented the staff report. He noted the Library Subcommittee met on October 24 and heard a progress report on the library, parking garage, and No. Main Street development. He reported the Library is currently in the bidding stage and bids are due on December 12, 2006. The parking garage contractor, Devcon Construction, has completed all production and ground improvement piles and has begun installing pile caps, tie-beams and building utilities. He presented slides on the project design schedule, bidding schedule, building permit process, expenditures to date, cost plans, library features and completed work.

Agency/Councilmember Livengood inquired if the garage is covered for potential damage from the library construction. Mr. Rogge responded this issue will be addressed.

RA7. Approval of Amendments to Terrace Gardens Regulatory Agreement

Felix Reliford, Principal Housing Planner, presented the staff report. He gave a brief history and stated from 1989 to 2006, rents at Terrace Gardens increased by 55% where expense to operate the facility have increased 115% over the same period. This has resulted in a three year deficit exceeding \$250,000. The Terrace Gardens Board of Directors conducted a financial audit and approved several amendments to the Regulatory Agreement at their July 27, 2006 meeting. The Board of Directors felt the proposed amendments to the Regulatory Agreement will allow Terrace Gardens to operate the senior housing facility on a more stable financial basis. He stated the proposed amendments include a revised rent structure increase of \$10-32 per month, and the proposed amendments to the Regulatory Agreement will require the Board to establish adequate reserve funding, link the annual operating budget with reserve funding, establish permanent affordability criteria, establish affordable rents, and make minor amendments to the Regulatory Agreement for greater clarification.

Mari Tustin, Senior Vice President of The John Stewart Company, presented the new rent structure. She reviewed the research and analysis done by the Board of Directors

Chair/Mayor Esteves inquired about the financial status of Terrace Gardens and if the City had any financial obligation. Ms. Tustin responded that without taking steps now, the reserves would run out in about ten years, and that Terrace Gardens is a separate entity. However, if Terrace Gardens were to use all reserves, the City would probably be the only benefactor, which would be at discretion of the Council. He requested that she fax a copy of the financial analysis and trends to the City Clerk. Mayor Esteves further inquired about rent caps, affordability and the meal program expenses.

Eli, of 1825 Forrest Court, inquired about the conflict of interest code with a Terrace Gardens Board Member on the City Council. City Attorney Mattas replied that Councilmember Giordano represented the City on the Board.

Richard Ruth, a member of the Terrace Gardens of Directors, reported that Andrew La is and Jerry Rosenquist are on the Board of Directors and are both CPA's, who provide financial guidance.

Motion: to approve the amendments and the restatement of the Regulatory Agreement with Terrace Gardens.

Motion carried by a vote of: AYES: 5
NOES: 0

Adopted Resolution No. RA276 granting final acceptance of Projects No. 4226 and No. 8135, and release the contractor's bond.

Approved contract change order with JJR Construction in the amount of \$40,000 for general construction services for Projects No. 8161 and No. 8162.

Approved the contract agreement with Vernazza Wolfe Associates, Inc. to prepare the Housing Marketing Study in an amount not-to-exceed \$77,215 from the Redevelopment Agency 20% Low Income Housing Set Aside Funds.

Chair/Mayor Esteves adjourned the meeting at 9:14 p.m.